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FOR IMMEDIATE RELEASE

Import Duties Threaten U.S. Farmers' Access to Key Fertilizers

Stand with U.S. Farmers website launched to raise awareness

New York, NY – December 7, 2020 -- OCP North America, a subsidiary of global fertilizer leader OCP S.A., of Morocco, today announced the launch of www.StandWithUSFarmers.com. The new website aims to promote awareness and action in response to the threat to U.S. farmers posed by substantial import duties recently imposed by the U.S. Department of Commerce on imports of the phosphate fertilizers on which American farmers depend.

The new duties are the direct result of a trade petition by American fertilizer giant The Mosaic Company. Already controlling more than 70 percent of the U.S. phosphate fertilizer market, Mosaic petitioned the U.S. Department of Commerce and U.S. International Trade Commission in June to impose substantial duties of over 70% on Moroccan and Russian imports, alleging that its own poor business performance in the U.S. was caused by imports from two countries who are Mosaic's main competitors in the U.S. Mosaic seeks to reap the benefits of dramatically reduced competition while U.S. farmers suffer.

As is fairly routine in such cases, Commerce agreed to impose duties on a preliminary basis in advance of the final phase of the Commerce process undertaken in response to the Mosaic petition. Specifically, Commerce imposed a preliminary duty of 23.46 percent on U.S. imports from the OCP Group in Morocco, and preliminary duties of 20 to 72.5 percent on certain Russian imports, effective December 1.

"We were encouraged to see Commerce reject Mosaic's extravagant claims for even higher duties" said OCP North America Chief Executive Officer Kerry McNamara, "but we were

disappointed by the level of preliminary duty imposed on Moroccan products. We continue to believe that it will be clear, as the case proceeds, that there is no legal basis for measures that deprive US farmers of access to the largest and most reliable global provider of these vital plant nutrients, the OCP Group.”

The preliminary duty announcement is already impacting fertilizer availability in U.S. markets. It’s also substantially affecting costs for U.S. farmers at a time when they are struggling to recover from a multi-year downturn in farm economics, made only worse by the COVID-19 pandemic. Industry analysts have noted that import supplies have plummeted, creating a “supply shock” that has driven phosphate fertilizer costs to rise more than 25% at the farm gate.

The duties determination process is not over. The announced duties are only preliminary. A final determination will not come until the end of the investigation phase in April.

“OCP is committed to standing with American farmers,” McNamara adds, “and we’re going to continue to argue against any decision that would limit farmer access to essential crop nutrients or further embolden the already dominant player in the U.S. market – Mosaic. It’s time to stand with U.S. farmers – and that’s what we’re going to do. We are confident that many will join us.”

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